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SIPDIS

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DEPT PASS USAID TO LAC/RSD, LAC/SAM, G/ENV, PPC/ENV
TREASURY FOR USED IBRD AND IDB AND INTL/MDB
USDA FOR FOREST SERVICE: LIZ MAHEW
INTERIOR FOR DIR INT AFFAIRS: K WASHBURN
INTERIOR FOR FWS: TOM RILEY
INTERIOR PASS USGS FOR INTERNATIONAL: J WEAVER
JUSTICE FOR ENVIRONMENT AND NATURAL RESOURCES: JWEBB
EPA FOR INTERNATIONAL: CAM HILL-MACON
USDA FOR ARS/INTERNATIONAL RESEARCH: G FLANLEY
NSF FOR INTERNATIONAL: HAROLD STOLBERG

E.O. 12958: N/A

TAGS: [SENV](#) [EAGR](#) [EAID](#) [TBIO](#) [ECON](#) [SOCI](#) [XR](#) [BR](#)
SUBJECT: SOUTH AMERICA ESTH NEWS, NUMBER 81

¶1. The following is the eighty-first in a series of newsletters, published by the Brasilia Regional Environmental Hub, covering environment, science and technology, and health news in South America. The information below was gathered from news sources from across the region, and the views expressed do not necessarily reflect those of the Hub office or our constituent posts. Addressees who would like to receive a user-friendly email version of this newsletter should contact Larissa Stoner at stonerla@state.gov. The e-mail version also contains a calendar of upcoming ESTH events in the region.

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Agriculture

13. Brazil and Botswana Link Up On Agricultural Research

AUG. 30, 2006 - Brazil and Botswana have agreed to cooperate in agricultural research over the next five years. The move is the latest in a series of scientific partnerships announced recently between Brazil and African countries. The new agreement signed 18 August by representatives of the Brazilian Agricultural Research Corporation (Embrapa) and Botswana's Ministry of Agriculture will focus on agriculture in extremely dry areas. One aim is to strengthen the capacity of scientific institutions and their staff to develop new technologies. The partners will share scientific knowledge and genetic material from local plants and animals. The collaboration will include research to improve livestock and crop production. It will involve work on plant and animal health, food processing, and the sustainable use of soils and other natural resources.

Source - SciDev

14. Uruguay Halts Production and Sale of GM Corn

AUG. 29, 2006 - The Uruguayan government has banned the production, use and sale of genetically modified corn. The resolution, issued on August 17, is the result of a complaint filed by NGO RAP-AL to the Ministry of Environment, Territorial Ordinance, and Livelihood (MVOTMA) in early 2006. The group claimed that GM corn was being

sold without the proper labels and not in compliance with the proper procedures to trace the seeds. An inspection by the Ministry proved the veracity of the accusation. According to the press report, the MVOTMA and the Ministry of Agriculture and Fisheries have signed an agreement establishing fines for such infractions.

Source - SciDev

15. NOTE from US Embassy Montevideo: Uruguay has only banned Bt11 corn for human consumption. It can still be grown and can be fed to animals. And other GM corn can still be grown as previously. Also, On September 1, several local producers filed suit to remove the restriction. Among other points they argued that the GOU had

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violated government policy against taking action before the NCC completed its policy review. Please refer to MONTEVIDEO 817.

16. Brazil State, Paraguay Sign Livestock Management Agreement

AUG. 22, 2006 - Brazil's No. 1 cattle state of Mato Grosso do Sul and neighboring Paraguay signed an agreement to work together to take concrete measures to improve the sanitary management of livestock, 10 months after a confirmed outbreak of foot-and-mouth disease along the border, according to a report in local Agencia Estado newswire. The plan calls for the mapping of properties and registration of their herds, the identification of frontier cattle, joint action to control animal transit, and a creation of a joint data base. The deal also allows for the construction of Brazilian meatpackers in Paraguay, which will permit Brazil to buy fresh beef cuts from its neighbor, instead of buying live cattle as it does now, said the report. Brazil's Agriculture Ministry said that it would maintain a ban on three cities in Mato Grosso do Sul state due to its latest lab results that showed the presence of foot-and-mouth antigens on 55 properties, even though there were no new cases of the contagious livestock disease.

Source - Cattle Network

Health

17. Peru: Fast-tracking Detection of a Tropical Killer

AUG. 25, 2006 - Researchers have developed a new way to rapidly assess the risk of developing a severe disease called leptospirosis from contact with water. The approach, which has been tested in Peru, can gauge whether water contains the bacteria that cause the disease and, if so, how many are present. The researchers used a technique called polymerase chain reaction to rapidly amplify tiny pieces of bacterial DNA. This allowed them to assess which types of Leptospira were present in water from gutters, wells, puddles and streams in rural and urban parts of Iquitos, in Peru's Amazon region. The Peruvian study suggests that reducing sources of standing water and clearing away waste in urban areas might reduce the number of cases of severe leptospirosis.

Source - SciDev

18. Venezuela: Tobacco Banned in Green Zone

AUG. 19, 2006 - The 75-hectare Parque del Este (East Park), a green area in the middle of the Venezuelan capital, will become smoke-free before the end of the year, announced Parks Institute spokeswoman Carolina Albarran. "In the areas where we see highest consumption of cigarettes -- a habit of 22 percent of the 26 million Venezuelans -- we are promoting agreements and ordinances to create ever more spaces free of tobacco smoke," Rose Melkon, of the Health Ministry's anti-tobacco program, told Tierramerica. The program already includes the Parque del Oeste (West Park), also in Caracas, and the

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Parks Institute says it is studying an extension of the initiative

to all areas under its authority.

Source - Tierramerica

9. Chile: Warning for New Pulp Mill

AUG. 19, 2006 - The medical board of the Chilean city of Nuble, 500 km south of the capital, has issued a warning about the potential harmful effects of the imminent opening of the Nueva Aldea Industrial Forestry Complex of the CELCO company. The association of physicians believes that the waste discharge from the pulp plant will be a strong and irreversible threat to the health of more than 45,000 people who use the water of the Itata River for their own consumption, for fishing or for crop irrigation. The regional president of the board, Carlos Rojas, told Tierramerica that the substances produced in the bleaching process, such as resins and organochlorides, can lead to cancer and genetic malformations. The board also warns that dumping the waste into the ocean, as has been announced, will not resolve the problem.

Source - Tierramerica

Water Issues

10. Brazil: Small Farmers to Protect Water Source

AUG. 26, 2006 - Fifteen farming families will each earn 100 to 260 dollars a month over the next three years for maintaining the forests on the banks of the Cubatao River, which provides water for the half-million residents of the city of Joinville in the southern Brazilian state of Santa Catarina. The local agreement between the Municipal Environment Foundation and the Rural Workers Union is a pioneering effort in Brazil. This "environmental financial compensation" will vary according to the size of the agricultural properties, which range from 900 to 30,000 square meters, in the Sierra Dona Francisca Environmental Protection Area, explained municipal environmental chief Norival Silva. The aim is for the small farmers to make a commitment to conserve the river and forests, he told Tierramerica. The program began with 15 families that live upriver from the water extraction point, but will be expanded to include more families in the future, said Silva.

Source - Tierramerica

11. Argentina: 'Unusual' Dispute Between Bottled-Water Giant and Mining Company

AUG. 2006 - Anti-mining campaigns have become more frequent in Argentina as investment in mineral extraction in the region has surged in recent years. But a mining dispute in Mendoza province qualifies as unusual nonetheless. That's because the leading opponent in this case is a foreign-owned company-the French bottled-water giant Danone. Since 1999, Danone has owned a

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173,000-acre (70,000-hectare) tract of land in a region of mountainous Mendoza province known as Villavicencio. In Argentina, however, land ownership does not guarantee control of the subsoil, as Danone is now well aware. A decade ago, Mendoza provincial authorities granted an exploration concession to an Argentine company called Minera del Oeste. The concession covers Paramillos, part of the Danone-owned land that is 10,500 feet (3,200 meters) above sea level and for centuries has been known as a source of lead and zinc. The dispute has spotlighted the environmental value of the Villavicencio region, which provides habitat for animals including pumas, guanacos, condors and eagles. But Danone cites more immediate reasons to oppose mining development in Villavicencio. There, it produces bottled water of the same name, one of the leading bottled-water brands in Argentina. Villavicencio water relies on nature as a marketing tool, its label featuring a rendering of the Mendoza landscape.

Source - EcoAmericas

Forests

112. Guyana: Verification System for Timber Products Being Crafted

SEPT. 16, 2006 - New Minister of Agriculture Robert Persaud [recently] launched the process for a legal verification of timber products and said he hopes to meet with stakeholders in the sector on how best to deal with persons who export "impurities" in forest produce. This appears to be a reference to cocaine shipments made in timber. The new system is a joint effort between the Guyana Forestry Commission (GFC) and the Forest Products Marketing Council of Guyana Inc. and is being done with the assistance of the United States Agency for International Development - Guyana Trade and Investment Support Project (USAID - GTIS), the World Wildlife Fund (WWF) and the International Tropical Timber Organization (ITTO). The development of the process is being carried out by ProForest, a natural resource management company from the United Kingdom. The process will last though to the end of 2006.

Source - Stabroek

113. Brazil Announces 11 percent Drop In Amazon Deforestation

SEPT. 06, 2006 - The Brazilian Environment Ministry announced that the rate of deforestation dropped in the Amazon region in the period from August 2005 to July 2006 (10,943 square kilometers), in comparison to the same period between 2004 and 2005 (12,318 square kilometers), the second consecutive period of sustained reduction. According to the Ministry, the positive result can be attributed to increased enforcement by the Federal Police and the IBAMA environmental agency, together with a drop in the expansion of soybean crops into the Amazon region because of reduced international commodity prices. In related news, federal statistics bureau IBGE reports that the number of endangered species in Brazil grew 46 percent since 1989.

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Source - Public Affairs US Embassy Brasilia

114. Brazil Proposes Fund to Stem Rainforest Cutting

SEPT. 01, 2006 - Brazil proposed on Aug. 31 a fund to compensate developing countries that slow the destruction of their rainforests, a move that could help lower emissions of gases blamed for rising world temperatures. The Brazilian initiative, presented at a planning meeting for upcoming global climate talks in Rome, calls for creating a fund that countries could tap into if they could prove they had brought deforestation below rates of the 1990s.

Source - ENN

115. Brazil Announces New, Tamper-Free Forest Product Monitoring System

AUG. 25, 2006 - Ibama (Brazilian Environmental Protection Agency) officially published a normative instruction on August 23, creating a new system of Forest Origin Documents (DOF) to track Brazilian timber and timber derived products. The new system takes effect September 1 and aims to combat illegal deforestation by enforcing stricter control over the movement and storage of forest products. DOFs will replace the highly contentious and notoriously corrupt system of paper ATPFs (Forest Product Transport Authorizations) that have been the backbone of at least 10 separate schemes to illegally harvest and market illegal timber.

Source - BRASILIA 00001791

Wildlife

116. Galapagos 'Face Species Threat'

AUG. 24, 2006 - Officials in Ecuador say they are worried about the discovery of foreign species on the Galapagos Islands. Despite inspections of incoming ships and planes, local people recently found an iguana and a turtle which probably came from mainland South America. Invasive foreign species are one of the main threats to the islands' wildlife. Officials are particularly worried about the newly discovered iguana which is probably a type which breeds rapidly and could compete with the indigenous varieties. It almost certainly arrived in cargo and was missed by inspectors. Other foreign animals in the Galapagos were introduced deliberately, only for their disastrous impact to be appreciated too late. Naturalists are working to eradicate thousands of feral goats which are a direct threat to the habitat of the Galapagos' giant tortoises.

Source - BBC

Fishing & Marine Conservation

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17. Chilean Salmon Farms Draw Official Scrutiny

AUG. 2006 - Scrutiny of Chile's lucrative but controversial salmon-farming industry has been turned up a notch following legislative hearings on the sector's increasingly controversial environmental, sanitary and labor record. The lower house of the Chilean Congress met last month in special session to consider tighter oversight of salmon farming at the insistence of green groups, worker organizations and small-scale fishermen. Meanwhile, government agencies have stepped up policing of the sector, which has become the second largest salmon producer in the world, generates USD1.7 billion in annual exports and supplies about half of all farmed salmon consumed in the United States. In late May, 13 Chilean salmon companies-including some of the nation's largest exporters-were fined by the Lake District Regional Environmental Commission (Corema) office for surpassing by 2 to 11 times the annual production limits specified in their environmental permits. Chilean health authorities, meanwhile, are preparing to sanction at least 15 salmon companies in the country's Lake District for failing to comply with government solid-waste disposal regulations.

Source - EcoAmericas

Protected Areas

18. Bolivia Revokes Oil-Drilling Concessions in National Parks

AUG. 29, 2006 - The Bolivian President Evo Morales announced the revocation of oil concessions in twenty National Parks. Bolivian authorities have not disclosed information on which companies will be affected by the decision, but it is known that Petrobras (Brazil), Repsol-YPF (Spain) and Total (France) had concessions to explore for oil in those areas. Bolivia's Federal Attorney General ordered the arrest of former executives from various oil companies, including Petrobras and Repsol YPF, amidst an investigation on alleged fraud.

Source - Public Affairs US Embassy Brasilia

Science & Technology

19. Argentina to Invest USD510 Million in Science by 2010

AUG. 21, 2006 - The Argentinean government has launched a USD510 million program to support research aimed at boosting the private sector's productivity. According to Argentina's Minister of Science, Technology, and Education, Daniel Filmus, this is the largest investment made in S&T over the past few decades. Of this investment, USD 280 million comes from an IDB loan - the largest loan for S&T ever made in Latin America, according to the press

report.

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Source - SciDev

Pollution & Waste Management

120. Warning for Latin America: Used Cell Phones

AUG. 26, 2006 - Mobile phone use is expanding throughout Latin America, but regulations and technology are insufficient to deal with the obsolete units, which can contain metals and other materials that are harmful to the environment and health. According to a study published Aug. 21 by the LatinPanel consulting firm, 70 percent of the Latin American population uses cellular phones. Among the countries where the penetration of this technology is greatest are Colombia (90 percent), Venezuela (89 percent), Chile (87 percent) and Bolivia (82 percent). The region does not have the enormous dumps for electronic waste from industrialized countries -- as exist in nations like China and Pakistan -- but the explosive increase in the number of cell phones is beginning to worry some authorities.

Source - Tierramerica

121. Ecuador, Chevron Tangle over Pollution Trial

AUG. 2006 - The pollution trial pitting Ecuadorian Amazon Indians against Chevron has touched off a legal battle between the oil company and Ecuador's government. In 2004, Chevron and Texpet, its Ecuadorian subsidiary, filed an arbitration claim in New York asking that Petroecuador, Ecuador's state oil company, pay their legal bills in the pollution case and cover any damage awards stemming from the litigation. Ecuador recently fired back, filing papers in New York federal court to block the arbitration. Ecuador argues in part that Texpet-formerly a subsidiary of Texaco and now a subsidiary of Chevron by virtue of Chevron's 2001 acquisition of Texaco-committed fraud in connection with an environmental-remediation program that lies at the heart of the pollution litigation.

Source - EcoAmericas

Energy

122. Soya Promises to Be the New Energy Source For Argentina

SEPT. 08, 2006 -The production of soya, which has changed the face and fortunes of Argentine agriculture, is poised to launch a promising new energy industry. Dozens of small producers, eyeing a lucrative export market and the prospect of burgeoning domestic demand, are building factories to turn some of Argentina's abundant soya oil into a cheap, renewable fuel for which there is increasing overseas appetite. Driven by the introduction of genetically

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modified crops to Argentina a decade ago, soya production has rocketed to a record 40m tons in the past season, and the country is the world's biggest producer of soya oil - a prime raw material to make biodiesel. The Spanish group Repsol-YPF, one of the biggest oil energy companies in Argentina, plans to open a USD 30mi plant next year with capacity of 100,000 tons in the first year. Aceitera General Deheza, an edible oils producer, is eyeing a USD 40mi investment to build a 200,000-ton plant, probably near the city of Rosario, north of Buenos Aires, the center of Argentina's soya processing industry and home to the world's highest concentration of soyabean crushing plants.

Source - Financial Times. Article kindly shared by US Embassy

Buenos Aires

123. Chile's Debate on Nuclear Energy Intensifies

SEPT. 05, 2006 - President Michelle Bachelet will stand firm on her pledge against the use of nuclear energy, [according to] government spokesperson Ricardo Lagos Weber. Leaders within her own ruling Concertacion coalition, however, are now forming a united front to promote further research into the alternative energy source, citing an estimated seven percent yearly increase in energy demand and diminishing prospects for gas imports from Argentina and Bolivia. On August 21, the presidents of the four Concertacion parties, during a routine meeting to set the political agenda, demanded explanations for Bachelet's steadfast opposition to nuclear energy. Though a taboo subject for decades in Chile, nuclear energy is gaining followers within Latin America, most notably Argentina, Mexico, and Brazil, as well as around the world.

Source - Santiago Times

124. Brazil's Petrobras Finds New Way to Make Cleaner Diesel

AUG. 2006 - Brazil's state oil company, Petrobras, has pioneered a refining process whereby cleaner, high-quality diesel fuel can be made through the reaction of petroleum and vegetable oils. The new diesel is made by using hydrogen to process a mixture of 10-18 percent soy oil and 82-90 percent petroleum in a catalytic cracker. Brazil plans to tap its vast supply of soybeans to make the new fuel, which is named H-Bio because hydrogen is used as a reagent, or catalyst. The fuel differs from the B-2 biodiesel already being produced and sold at the pumps. B-2 biodiesel consists of 98 percent conventional diesel fuel and 2 percent biofuel made from vegetable oil and a sugarcane-based ethanol reagent. Petrobras says it was offering B-2 at 500 service stations this month and plans to make it available at 3,500 of its 7,000 stations by the end of the year. By law, use of B-2 will be mandatory by 2008, when it is scheduled to replace standard diesel. B-5 biodiesel, a mix of 5 percent biofuel and 95 percent diesel fuel, will be mandatory by 2013. The government says it won't require a higher percentage of biofuel in diesel until production of the 100 percent biofuel used in these blends rises sufficiently. That production is expected to reach 210 million gallons (800 million liters) by 2008.

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Source - EcoAmericas

125. Argentina to Expand Nuclear Program

AUG. 23, 2006 - Argentina announced an ambitious plan to expand its nuclear program to meet rising energy demands, including extending the life of existing plants and possibly resuming uranium mining. At a Government House news conference, Planning Minister Julio de Vido said the plan calls for increasing the life span of the aging Atucha I and Embalse nuclear power plants and completing construction by 2010 on the longstalled Atucha II plant. Two decades of delays have hampered completion of the Atucha II project, located some 75 miles northwest of the capital of Buenos Aires. The nearby Atucha I facility has been operating since the mid-1970s, in conjunction with the Embalse plant in central Argentina. The planning minister was flanked by President Nestor Kirchner, who did not comment on the plan nor on a report by the leading newspaper Clarin saying the nuclear program could cost the government USD3.5 billion over eight years.

Source - NY Times

126. Brazil's Alcohol Cars Hit 2 Million Mark

AUG. 18, 2006 - Brazil's new generation of cars and trucks adapted to run on alcohol has just hit the two-million mark, motor industry figures show. "Flex-fuel" vehicles, which run on any combination of ethanol and gasoline, now make up 77 percent of the Brazilian market. Brazil has pioneered the use of ethanol derived from sugar-cane as motor fuel. Ethanol-driven cars have been on sale there for 25 years, but they have been enjoying a revival since

flex-fuel models first appeared in March 2003. Just 48,200 flex-fuel cars were sold in Brazil in 2003, but the total had reached 1.2 million by the end of last year and had since topped two million, the Brazilian motor manufacturers' association Anfavea said.

Source - BBC

Climate Change

[127. L. America, Caribbean 'must act on climate change'](#)

AUG. 29, 2006 - A coalition of major UK environmental and development organizations has urged Latin American and Caribbean countries to reduce their vulnerability to climate change. In a report released 28 August, the group also calls on industrialized nations to do more to help poorer nations face the threat. The report links droughts in the Amazon, floods in Haiti and vanishing glaciers in the Andes to human activities including local deforestation and distant greenhouse gas emissions. It says the region's governments should make priorities of energy efficiency and renewable power and should assess the threat climate change poses to agriculture, health and water supplies. The 20 organizations behind

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the report include the New Economics Foundation, the International Institute for Environment and Development, ActionAid International, Practical Action and the WWF (World Wide Fund for Nature).

Source - SciDev

General

[128. US Organic Company to Partner CI in Forest Protection IN Guyana](#)

SEPT. 08, 2006 - Conservation International Guyana (CI) has announced a new partnership with Save Your World LLC, a US-based organic bath and body products company, which will donate a portion of its sales to the Upper Essequibo Conservation Concession (UECC).

The Government of Guyana and CI entered an agreement in 2005 to lease 200,000 acres of rainforest located in the upper reaches of Guyana's largest river, the Essequibo. And CI pays the Guyana Forestry Commission (GFC) exactly what they would have received had the area been given out under a logging contract. Instead of cutting trees the area is protected and kept in its pristine state as a conservation concession rather than a timber producing concession. The partnership between CI and Save Your World intends to take advantage of this innovative agreement with the government.

Source - Stabroek

[129. Brazil and EU Collide Over Retread Imports](#)

AUG. 2006 - In many ways, Brazil's clash with the European Union (EU) over retreaded tires resembles a standard trade dispute. European retread producers, upset about Brazilian efforts to block imports of the reconditioned tires, have forced a showdown between the EU and Brazil at the World Trade Organization (WTO). The wrinkle, however, is that instead of revolving around trade issues such as dumping and unfair competition, Brazil's defense focuses on environmental degradation, malaria and dengue fever. At a WTO hearing in Geneva last month, Brazilian officials argued importation of EU retreads would add to the glut of illegally discarded tires that is blighting the land and rivers and creating habitat for disease-carrying mosquitoes. Experts believe that in the context of WTO disputes, the Brazilian approach might be a first. The WTO is due to hold a second round of hearings with Brazil and the EU in September before issuing a final ruling in early 2007.

Source - EcoAmericas (please contact Larissa Stoner for complete article)

130. UNEP Report on Peru Sees Major Problems--and Reason for Hope

Aug. 2006 - Peru's capital is parched, polluted and choking on the exhaust of a growing number of automobiles, according to a new report by the UN Environment Program (UNEP). Nevertheless, there is increasing environmental awareness on the part of Lima's eight

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million-plus residents, and the sprawling city would have a greener future if steps were taken to address the problems. UNEP'S Global Environment Outlook (GEO) for Lima and Callao, the two-city metropolis where a third of Peru's people live, studies environmental problems and recommends ways to address them. Of all problems studied, water was "the most critical," says Renee Lariviere, technical director of the study, done by UNEP and the non-profit Grupo GEA in Lima. Says Lariviere: "Though air quality is not good, action is being taken. On water, awareness must be raised and investment is needed."

Source - EcoAmericas (please contact Larissa Stoner for complete article)

131. Brazil: Garbage Collectors Demand Recognition

AUG. 19, 2006 - The "catadores" (informal garbage collectors) of Belo Horizonte, capital of the southern Brazilian state of Minas Gerais, will launch their fifth Festival of Garbage and Citizenship. "We are fighting for recognition of the service we provide the cities, producing environmental, economic and social benefits," Luis Henrique da Silva, head of the festival promoter, the Belo Horizonte Association of Collectors of Reusable Material, told Tierramerica. One objective of the event is to connect Brazilian catadores with their counterparts in the rest of Latin America, and their movement with the government, experts and activists. Some 50,000 people are expected to take part in the festival. Experiences of garbage collectors in Brazil, Colombia, Egypt and India; solid waste management; and people on the streets will be topics of debate.

Source - Tierramerica

132. Peru - Beggar on a Throne of Gold

AUG. 19, 2006 - Mining companies operating in Peru are seeing increasing millions in profits as a result of the surge in international prices for metals, but few are contributing what is needed to alleviate the poverty of the people living in mining areas. President Alan Garcia, who took office Jul. 28, promised during his electoral campaign to renegotiate the contracts in the mining industry. But now he appears willing to accept "voluntary contributions" to social investment, with sums as yet undefined. In the northwestern Peruvian region of Cajamarca is Latin America's leading gold mine, run by the Yanacocha company in partnership with the U.S.-based Newmont and Peru's Buenaventura. But the paradox is that this booming mine is located in an area where 74.2 percent of the population lives in poverty. The world's fifth producer of gold, second in silver, third in copper and zinc, and fourth in lead, "Peru is a beggar seated on a throne of gold," according to a popular local saying. Peru is among the countries with greatest poverty in the region. Nationwide, 51 percent of Peru's 27 million people are poor, and 24 percent live in extreme poverty, according to the national institute of statistics, INEI.

Source - Tierramerica

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SOBEL